GA 1.13 : FPCD-82-42

BY THE U.S. GENERAL ACCOUNTING OFFICE

COMPLETED 30

Report To The Secretary Of The Navy

ORIGINAL

Backlog Of Navy Enlisted Personnel Awaiting Training Results In Inefficiency And Unnecessary Cost

During fiscal year 1981, approximately 4,950 Navy enlisted personnel were waiting at 20 training activities on any given day to receive initial skill training. This excessive backlog not only delayed skill development for the recruits involved but also deprived the fleet of valuable staff-years of service and caused the Navy to incur unnecessary personnel costs.

While management actions taken by the Navy in 1981 and 1982 have reduced the backlog, GAO believes additional changes are needed and recommends corrective action.

GAO/FPCD-82-42
JUNE 18, 1982

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

B-207574

The Honorable John F. Lehman
The Secretary of the Navy

Attention: Comptroller of the Navy (NCB-53)

Dear Mr. Secretary:

Subject: Backlog of Navy Enlisted Personnel Awaiting Training Results in Inefficiency and Unnecessary Cost (GAO/FPCD-82-42)

In recent years an excessive number of Navy enlisted personnel have been waiting to receive initial skill training. During fiscal year 1981, approximately 4,950 enlisted personnel were waiting at 20 training activities on any given day. This backlog was about 2,250 more than the Navy's fiscal year 1981 goal of 2,716 (the average number awaiting instruction) and means that during fiscal year 1981, the Navy not only delayed skill development for the recruits involved but also (1) deprived the fleet of about 2,250 staff-years of service and (2) incurred approximately $17 million in unnecessary personnel costs.

In fiscal year 1982, the Navy's plan is to reduce the average onboard count waiting for instruction to about 2,500. (See app. III for a synopsis of enlisted personnel waiting to receive training for fiscal years 1978-1981.) Our review indicates that although Navy efforts, which began late in fiscal year 1981, have begun to reduce the backlog from its 1981 high of 6,122, the Navy can take other actions that will reduce the backlog in fiscal year 1982, and in the following years.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of our review was to examine the trainee backlog problem in the Navy's initial skill training program and to determine what actions could minimize this backlog. We conducted our review from April through November 1981 at the following locations:

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--Headquarters, Deputy Chief of Naval Operations (Manpower, Personnel, and Training), Chief of Naval Personnel.

--Headquarters, Navy Recruiting Command.

--Chief of Naval Education and Training, Pensacola, Florida.

--Chief of Naval Technical Training, Millington, Tennessee.

--Service School Commands at Great Lakes, Illinois, and San Diego, California.

--Naval Air Technical Training Center, Millington, Tennessee.

--Fleet Combat Training Center, Dam Neck, Virginia.

At these locations, we interviewed command level personnel and reviewed numerous documents pertaining to initial skill training in order to gain a better understanding of the training backlog problem. We also talked with members of three Navy task forces specifically formed to study ways to reduce the number of individuals waiting for training.

To get an indication of the use of recruits who were waiting for training and the length of wait, we interviewed 25 recruits reported to be waiting for training at each of the 3 major service schools. These recruits were selected based on availability. We are not projecting the results of the interviews because the selection was not statistically valid.

This review was conducted in accordance with our current "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions."

BACKGROUND

Most enlisted personnel entering the Navy are provided two essential phases of training--recruit training and initial skill training. Recruit training introduces military life and teaches the basic military skills and customs. After recruit training most enlistees receive initial skills training which is designed to teach them the basic skills they need to know when reporting to their first duty station.

The length of initial skill training for enlisted personnel varies widely in the Navy. Approximately 70 percent of the Navy's recruits attend 7 to 50 weeks of training in ratings (occupational field) such as boiler technician, machinist mate, gunner's mate, etc., immediately after graduating from recruit training. For many of these ratings, the curriculum consists of two phases of training--preparatory and rating specific. Preparatory training--

such as basic electricity and electronics, aviation fundamentals, or propulsion engineering--serves as a common core for many ratings. After completing preparatory training the recruits then enter the training related to their prospective skill rating.

The 30 percent of the Navy recruits who do not receive initial skill training immediately following their recruit training attend approximately 4 weeks of apprenticeship training to become seamen, firemen, airmen, or construction men before being assigned directly to the fleet. At a later date, some of these personnel may be returned to attend initial skill training.

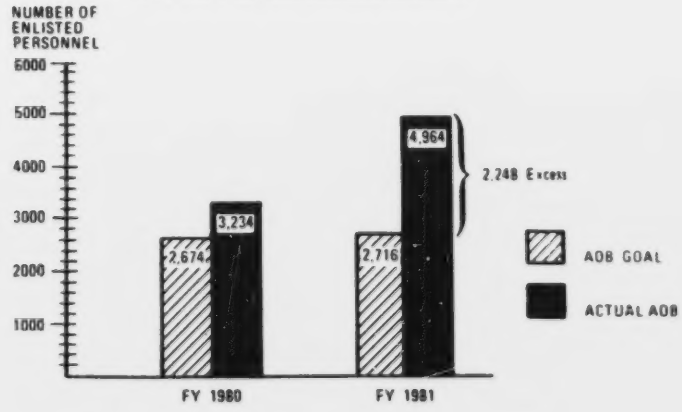
In fiscal year 1981, initial skill training was provided to over 62,000 enlisted personnel. Approximately 56,500 were trained following recruit training. Another 5,800 personnel returned from the fleet for the training.

NUMBER AWAITING INSTRUCTION CONSISTENTLY EXCEEDS NAVY'S GOALS

In fiscal years 1980 and 1981, the Navy established "goals" for the average number of enlisted personnel awaiting instruction. Although the objective of the goals was to insure "maximum utilization of school seats," these goals were not based on extensive research or analysis. Instead, they were based on historical statistics on the number of enlisted personnel awaiting instruction, allowing for the average number of personnel on board in a waiting status, as well as those waiting for instruction due to security clearance requirements, or legal, medical, or other problems. The resulting goals were 2,674 for fiscal year 1980 and 2,716 for fiscal year 1981. These goals compared to the actual number awaiting instruction as shown in the following chart:

CHART A

AWAITING INSTRUCTION AVERAGE ON BOARD
GOAL VS. ACTUAL AVERAGE ON BOARD



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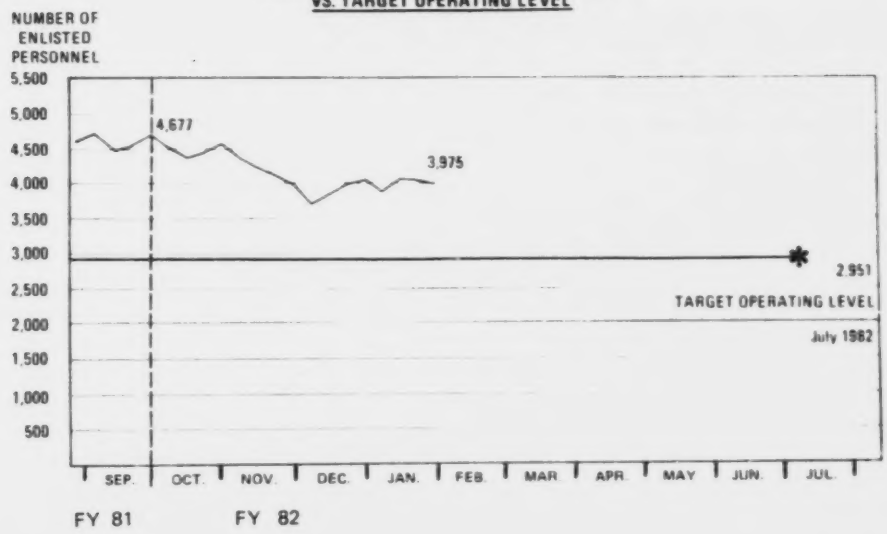
Because the Navy was unable to reduce its backlog to the fiscal years 1980 and 1981 goals, concern was expressed by the Subcommittee on Defense, House Committee on Appropriations. As a result of this concern, the Navy agreed that the backlog would be reduced to 2,951 by July 1982. This target was not a "goal" of the average on board for fiscal year 1982, such as had been established in previous years, but was instead a one-time target. The following chart shows how the Navy is progressing toward this target operating level.

CHART B

FY 1982 ACTUAL AWAITING INSTRUCTION VS. TARGET OPERATING LEVEL



PERSONNEL AWAITING INSTRUCTION COST MONEY, STAFF-YEARS, AND DELAY SKILL DEVELOPMENT

The large number of recruits waiting to enter training adversely affects the Navy in several ways. For example, unnecessary costs are being incurred, the fleet is losing productive staff-years of service, and the skill development of the sailors involved is being delayed. The annual cost associated with having a recruit, generally an E-2, awaiting instruction ranges from approximately $7,500 to $10,000. Using the lower estimate (which consists of basic pay and housing allowances without regard to the institutional costs associated with the training commands), we estimate that the average number of students awaiting instruction (4,964) at 20 training activities in fiscal year 1981 cost the Navy, at a minimum, over $37 million. Approximately $16.8 million of this cost was for the 2,248 students who were, at any one time, waiting in excess of the Navy's fiscal year 1981 awaiting instruction goal of 2,716. (See chart A on p. 3.) If the first

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quarter average "excess" of 1,631 continues throughout fiscal year 1982, the result will be more than $12 million in unnecessary personnel costs, more if the Navy's final backlog goal is lower than their current "interim" goal.

The backlog also costs the Navy productive staff-years because recruits awaiting training are not serving in the fleet. Of further significance is the fact that many of the skill ratings which were experiencing a backlog in the schools during 1981 were also experiencing a shortage in the fleet. For example, the Navy expected severe shortages of electronics technicians and electrician's mates. Accordingly, training seats in these ratings that were missed in the first half of the year were filled in the latter part of fiscal year 1981. Yet, because the schools for these ratings were backlogged at that time, many recruits waited 10 weeks or more to start training.

In addition to the expense and lost staff-years, the backlog delayed the skill development of many recruits. While waiting for training, many were spending time performing office support, grounds keeping, and other base support functions. While the overall average wait in 1981 was 8.6 days, some recruits were waiting almost as long to start courses as the time necessary to complete them. As an extreme, the Navy reported in September 1981 that 284 prospective avionics technicians at the Naval Air Technical Training Center in Millington, Tennessee, had waited an average of 31 days to start their basic electricity and electronics courses which were expected to take a total of 32-33 days to complete. Other recruits experienced multiple waits. For example, 6 of the 75 recruits we interviewed had waited 3 weeks or more for basic electricity and electronics courses and another 6 weeks or more for the follow-on electronics or aviation courses.

In commenting on the draft report (see app. I), the Navy stated that for all basic electricity and electronics schools the average wait during fiscal year 1981 was 24.8 days and that only 30 percent of these students waited over 28 days. For the follow-on initial skill training ("A" school) the Navy reported students waited an average of 11.8 days, with 41 percent waiting from 1 to 7 days.

NAVY HAS BEEN SLOW TO REDUCE THE BACKLOG

The Navy did not take major steps to reduce the training backlog until about July 1981, even though the problem had existed since 1978 (see app. III). Prior to 1981, the Navy's efforts focused primarily on increasing productivity of the instructors. Such temporary measures as conducting second and third shifts for backlogged courses, restricting instructor leave, and having instructors voluntarily work 12-hour shifts were used to temporarily reduce and somewhat stabilize the backlog.

Staffing the training command at less than its authorized level, according to Navy officials, has been a major reason for the backlog problem. As noted in appendix III, when the instructor billets were reduced in 1979, the Assistant Deputy Chief of Naval Operations (Manpower, Personnel, and Training) agreed that future staffing would need to be maintained at 100 percent. The Navy Manpower and Personnel Command, prior to 1981, was unable, however, to provide 100 percent staffing because of fleet requirements, even though training was a Chief of Naval Operations Priority II assignment.

In fiscal year 1980, the Navy made an effort to ease the instructor shortage by implementing several temporary measures. First, they filled some instructor billets with recent school graduates to assist the regular instructors. Second, they temporarily assigned reservists to the training commands. Third, when possible, they extended tours of duty up to 6 months for military instructors already in place. During this time the Navy also awarded its first contracts for civilian instructors.

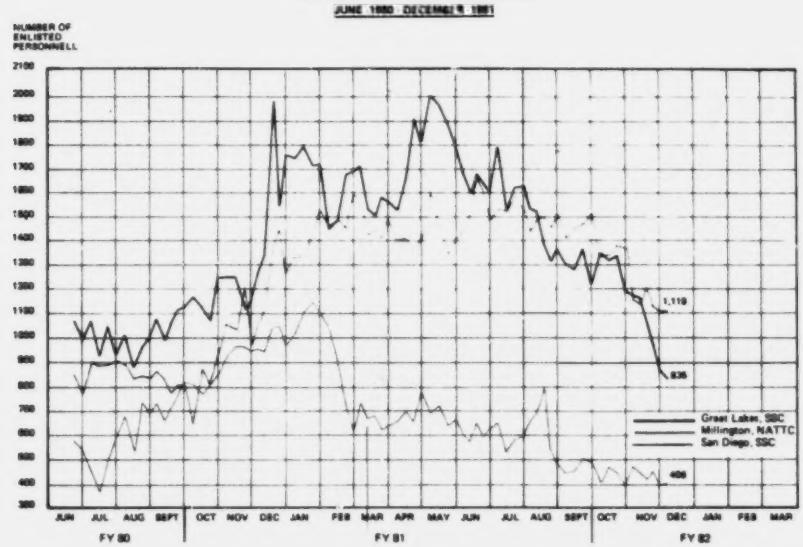
By fiscal year 1981, the Navy had 556 civilian instructors teaching primarily at Meridian, Mississippi; Great Lakes, Illinois; San Diego, California; and Millington, Tennessee. Even though civilian instructors have generally been considered effective, Navy officials have lamented the loss of military presence in the classroom and would prefer military instructors.

The chart on page 7 which compares the backlog levels at the three major schools shows the effect that increasing the number of instructors had. Until the fourth quarter of fiscal year 1981, the service school at Great Lakes, Illinois, had the worst backlog. However, when the civilian instructors were added to existing military instructor staffs, the backlog dropped. The Navy is now attempting to contract for more instructors to assist at Millington.

CHART C

COMPARISON OF WEEKLY AWAITING INSTRUCTION POPULATION FOR THREE MAJOR SCHOOLS

JUNE 1980 - DECEMBER 1981


NUMBER OF ENLISTED PERSONNEL
1,119
835
Great Lakes, SSC
Millington, NATTC
San Diego, SSC
JUN JUL AUG SEPT OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEPT OCT NOV DEC JAN FEB MAR
FY 80
FY 81
FY 82

In 1980 and 1981, the Navy also formed several task forces to address the problems associated with personnel awaiting training. One option considered by the group was a short-term limitation on recruiting input. This option was rejected since the Navy did not want to adversely affect using guaranteed training as an enlistment incentive.

Another option considered and rejected was to stop sending new recruits who were not guaranteed initial skill training when they enlisted from recruit training centers (RTC) to schools with backlogs (referred to as RTC pickups). As shown earlier (chart A on p. 3), while these options to control student input were being rejected, the backlog was increasing.

The major effort toward effectively dealing with the backlog began in May 1981, when the Vice Chief of Naval Operations directed an assessment of the enlisted training system. This move coincided with the formation of the Training Command Manning Task Force, which was responsible for assessing and implementing measures to reduce the backlog of nearly 5,000 to a newly established target of 2,951 by July 1982.

One of the task force's first actions, in July 1981, was to cease RTC pickups in 16 ratings that had training backlogs, an option previously rejected. The task force also took steps to improve the staffing of the training command by funding 109 civilian instructors for fiscal year 1982 and by filling 229 military instructor billets in backlogged schools. While filling the 229 billets was accomplished by October 1981, other military instructor billets remained unfilled.

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ADDITIONAL NAVY ACTION TO MANAGE THOSE ENLISTEES AWAITING INSTRUCTION

In late November 1981, the Chief of Naval Personnel announced another improvement in the Navy's approach to managing training--differentiating between "excess" and "unavoidable" categories for waits. The personnel in the "excess" category are those who have waited at the schools long enough to have missed the start of a training class. Personnel "unavoidably" waiting for training, according to the Deputy Chief of Naval Operations (Manpower, Personnel, and Training), are those who arrive too early for a class start or are in a security, administrative, medical, legal, or other type of hold situation. Using the Navy's latest strategy for addressing personnel awaiting training, we found there were 4,149 personnel on the average awaiting training during the first quarter of fiscal year 1982, with 1,631 being "excess" and 2,518 "unavoidable." While citing the need to reduce the awaiting-instruction population to 2,951 by July 1982 as the near-term objective, the Chief of Naval Personnel has stated that over the longer term the Navy's goal is to reduce the "excess" number of personnel waiting to zero and that after gaining more experience in the area further refinements would be made. To date, however, no specific plan for developing a final awaiting-instruction goal has been developed.

In response to our draft report, the Navy stated that as of April 12, 1982, the total number of personnel awaiting instruction had decreased to 2,359, of which 2,035 were unavoidable and 324 were in the excess category. The Navy also commented that an excess/unavoidable accounting system has been initiated which uses the unavoidable level of students awaiting instruction as its benchmark for further reductions.

Because the Navy's decision to use a different approach to categorizing the awaiting-instruction population is so recent, we are unable to present any extensive analysis of this change. We note, however, that the Navy's decision to divide the current awaiting-training population into two categories does not address establishing goals for the minimum number of personnel for each of the groupings, and the minimum time for each individual delay. Our review indicates that on any given day about three-fourths of the students in the "unavoidable" category are there because of early arrival for class. The average wait for many of these early arrivals is about 4 days. While some waiting time for some early arrivals is unavoidable, adjustments in scheduling, such as adjusting when enlisted personnel are sent to recruit training centers, may further reduce the total number of personnel and days spent waiting.

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CONCLUSIONS

The recent decision to manage the number awaiting instruction by the "excess" and "unavoidable" categories appears to be a good starting point for improving the efficiency of the training program, and, as noted in Navy comments (see app. I) on this report, has already led to a sizeable reduction in the backlog. We believe, however, that a long-term commitment is needed to permanently eliminate the "excess," minimize the "unavoidable" personnel awaiting instruction, meet future training demands, and avoid unnecessary costs.

RECOMMENDATIONS

To minimize the number of personnel awaiting training in the future, we recommend that the Secretary of the Navy

--establish standards for the minimum size, time delays, and categories for the awaiting instruction population;

--translate these standards into specific firm targets for each school;

--adjust recruit training schedules in order to allow a smoother flow of trainees directly from recruit training into individual skill training; and

--request Defense approval to expand the justification for the annual training budget to include costs of student backlogs.

AGENCY COMMENTS

In May 12, 1982, comments on our draft report (app. I), the Navy commented that as of April 12, 1982, the total number of enlisted personnel awaiting instruction at the Navy's 20 major training activities had been reduced to 2,359, which compares favorably to the fiscal year 1981 average of 4,964. The Navy further commented that the number of students in the "excess" category had been reduced to 324 and "unavoidables" to 2,035. The Navy indicated that the "excess" can be eliminated by the end of June 1982.

The Navy response included a sample of the management actions recently initiated to reduce the backlog--several of which were initiated after the completion of our draft report. The Navy response, however, did not mention that the Navy reduced its accessions (recruiting) during December 1981 and January and February 1982 by approximately 3,200 personnel. This decision led to a reduction of 827 school seats, including 375 in backlogged schools. The Navy hopes to fill these seats during the fourth quarter of fiscal year 1982.

In our draft report, we proposed that the Navy increase the number of instructors to the authorized staffing level and expand the limitations on RTC pickups to all ratings with excess awaiting personnel. We also proposed that if these actions fail to overcome the "excess" problems, the Navy should reduce school enrollments. The Navy has already increased the number of instructors and expanded the limitations on RTC pickups. Reduced accessions during December 1981 to February 1982 also had a direct impact in reducing the "excess." Accordingly, we have deleted these proposed recommendations from this final report.

Regarding the four long-term actions to minimize future training backlogs, proposed in our draft report, the Navy commented that subsequent to completion of our draft report, the many actions they have undertaken to reduce the number awaiting instruction "collectively include three of the four recommendations." The Navy has not shown, however, that their actions (1) establish standards for the minimum size, for acceptable time delays, and for categories for the awaiting instruction population, (2) translate standards into specific firm targets for each school, or (3) adjust recruit training schedules. We continue to believe these actions are necessary in order for the Navy to more appropriately manage its awaiting instruction population and avoid backlogs.

The Navy commented that it is not appropriate for them to address our proposed recommendation to expand the justification for the annual training budget to include costs of student backlogs because modifying the budget justification requires OSD approval. Accordingly, we are now recommending that the Navy request OSD approval to modify the budget justification.

OSD Comments

Agency comments on the draft report were also provided by the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics). (See app. II.) These comments state that OSD does not concur with the proposed recommendation to expand the justification for the annual training budget to include costs of student backlogs because the conditions causing the student backlog are "unforeseen and, therefore, unprogrammed in a budget submission." In our opinion, OSD's comments apparently discount what the Navy has recognized since 1979 as the annual "goals" for the necessary number of enlisted personnel awaiting instruction to insure "maximum utilization of school seats." That these goals have been consistently exceeded in recent years makes our recommendation to report these "goals" even more important as a reasonable means of properly disclosing the potential use of manpower resources.

Although the current budget justification accounts for personnel in a training status by addressing the number of trainees and students planned, it does not account for any of

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the inefficiency and unnecessary cost associated with the backlog discussed in this report. The two annual reports cited in the comments provide information regarding manpower requirements and training but do not address the fact that student backlogs exist and can be very costly to the services.

GAO recognizes that the Department has given intensive management priority to the subject of student backlogs and that the Navy has significantly reduced the inefficiency and unnecessary costs associated with such backlogs. Likewise, we are aware that the Defense Audit Service will be issuing a report, on a related subject, entitled "Review of Guaranteed Training Commitments." However, the major Navy actions to address this student backlog problem were initiated after we started our audit work and, as noted on page 4 of this report, after the staff of the Subcommittee on Defense, House Committee on Appropriations, expressed concern about the backlog in May 1981.

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As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations. This written statement must be submitted to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of this report. A written statement must also be submitted to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

Copies of this report will be sent to the Senate and House Committees on Appropriations; the Senate Committee on Governmental Affairs; the House Committee on Government Operations; and the Secretaries of Defense, the Air Force, and the Army.

Sincerely yours,

Clifford I. Gould

Clifford I. Gould
Director

APPENDIX I

DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D C 20350

12 MAY 1982

Mr. Clifford I. Gould
Director, Federal Personnel and Compensation Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Gould:

This is in reply to your letter of April 13, 1982 to the Secretary of the Navy regarding the GAO draft report on the Backlog of Navy Enlisted Personnel Awaiting Initial Skill Training -- OSD Case 5947.

The Department of the Navy has reviewed the draft report and comments on the findings and recommendations are provided in the enclosure.

Enclosure

E. C. GRAYSON
Deputy Assistant Secretary
of the Navy (Manpower)

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DEPARTMENT OF THE NAVY COMMENTS

ON

GAO DRAFT REPORT OF APRIL 13, 1982

ON

BACKLOG OF NAVY ENLISTED PERSONNEL AWAITING INITIAL SKILL TRAINING RESULTS IN INEFFICIENCY AND UNNECESSARY COST
OSD CASE NO. 5947

Summary of GAO findings and recommendations

GAO draft report states that in recent years, an excessive number of Navy enlisted personnel have waited to commence initial skill training instruction. The backlog exceeded Navy's goals and resulted in unnecessary costs, loss of productive man-year service to the fleet, and delayed the skill development of the affected recruits.

GAO notes that several factors have contributed to the backlog situation. As a result of a 3,500 recruiting shortfall in FY78 and anticipating a similar shortage for FY79, Navy decided to ship more recruits to initial skill training schools during late FY78 than had originally been planned. This overshipment coincided with an OMB decision to reduce Navy training staff by 2,700. Thereafter, Navy recognized that schoolhouses would need to be staffed at 100 percent of the reduced authorization to maintain student throughput. Navy was not able to achieve full manning and as a result, student backlogs increased.

Navy's initial efforts to reduce the backlog were focused primarily on increasing productivity (e.g., extra shifts, restricting instructor leave, volunteer instructors working twelve hour shifts), filling some instructor billets with recent school graduates, assigning reservists to instructor duty, extending tours of duty for selected instructors for up to six months, and awarding contracts for civilian instructors. More major efforts began in May 1981 when additional actions were initiated to improve military instructor manning, to increase the contracting-out effort, and to cease RTC pickups in backlogged ratings.

Navy's actions resulted in a reduction in the backlog from an average of 4,964 in FY81 to 3,975 in January 1982. However, GAO contends that many of the actions are of a temporary nature. Consequently, a long-term commitment is required to permanently eliminate Navy's "excess" backlog and minimize the number of students "unavoidably" awaiting instruction. It was therefore recommended that Navy immediately increase the number of instructors to the authorized level and expand the limitation on RTC pickups to all ratings with excess backlogs. Should these

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actions fail to eliminate the excess backlog, Navy should then reduce the student input to schools until an acceptable backlog level is attained. Beyond these immediate actions, it was recommended that Navy establish standards for minimum size, time delays and categories for the awaiting instruction problem; translate these standards into targets for each school; adjust recruit training schedules to allow a smoother pipeline flow; and, expand the justification for the annual training budget to include costs of student backlogs.

Summary of Department of the Navy Position

Although Navy had initiated numerous management actions prior to completion of the GAO draft report in January, the resultant impact on the awaiting instruction (AI) backlogs has only recently become evident. This dramatic progress is not visible in the report. For example, the total AI backlog had been reduced to 2,359 as of April 12, 1982, considerably less than the 3,975 level noted in the draft report. Notable improvements have also been made in the effort to reduce both the excess backlog and unavoidable AI. This progress was made possible by the initiation of several management actions that are not mentioned in the report. These significant actions have and will continue to have a very positive impact on Navy's ability to maintain a minimum backlog level. To ensure that potential readers possess timely and accurate backlog information, it is strongly recommended that the final GAO report include the most recent backlog data as well as the management actions enumerated in the Navy statement below.

The GAO draft report recommends that Navy immediately initiate two actions to eliminate the excess backlog -- increase the number of instructors and expand the limitations on RTC pickups. Once the current AI data and recent management actions are incorporated into the report, it will become evident that both of these "immediate" recommendations have already been accomplished and should therefore be deleted from the final report.

The draft report also recommends that Navy initiate several long-term actions to minimize future training backlogs. Again, subsequent to completion of the draft report, the many actions that have been undertaken to reduce AI collectively include three of the four recommendations. The fourth recommendation, "to expand the justification for the annual training budget to include costs of student backlogs", is not appropriate for addressal by DON. Modifying the budget justification requires OSD approval and therefore, it is not appropriate for Navy to respond to this recommendation. In summary, actions under the purview of Navy have already been initiated to accomplish each of the cited recommendations. Therefore, it is recommended, that in the final report, GAO acknowledge that Navy has initiated actions to accommodate the "long-term" recommendations.

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The overall tenor of the basic draft report leads the reader to conclude that Navy simply made a conscious decision to man the training command with less than its authorized level. However, the enclosure to the basic report contains supporting information that enables the reader to better understand the rationale behind the decision to overship students into initial skill schools during late FY78. It also helps to explain the impact that training staff reductions may have had upon subsequent backlogs. Because this information is buried in the enclosure, it is feared that this supporting documentation may never be read by many readers and that a full appreciation of the total problem will therefore be lost. It is recommended that this information be incorporated into the basic report.

Statement

Significant improvement in the backlog situation has taken place since the GAO draft report was prepared in January 1982. The reduction in the number of personnel waiting to commence instruction has been so dramatic that the final report should reflect the current status. As of April 12, 1982, the total number of enlisted personnel awaiting instruction (AI) at Navy's twenty major training activities had been reduced to 2,359. This compares favorably to the average of 4,964 personnel who were in a backlog status during FY81. Additionally, the number of students in the "excess" category was reduced to 324 and "unavoidables", to 2,035. The graph at TAB A displays Navy's backlog track record during the past three years and vividly demonstrates recent backlog reduction achievements. Note that Navy achieved the FY82 target operating level ("interim") goal on March 1, 1982, four months ahead of schedule. While the progress has been significant, Navy has pursued many management actions to go a step beyond, and eliminate all "excess" backlog. Specifically, Navy's new goal is to reduce the backlog to the minimum level necessary to ensure that all school seats are utilized. Additionally, this level will necessarily include students in an administrative hold status (e.g., in processing, medical, legal, security clearance, disciplinary, emergency leave). This student population comprises the unavoidable level and it serves as our benchmark for further AI reductions. This excess/unavoidable accounting system began on October 1, 1981, and therefore, the TAB B graph centers on Navy's backlog reduction progress for FY82. While Navy's original goal for FY82 was to reduce the backlog to the 2,950 operating level by end-June, we believe that total AI can be reduced to the unavoidable level by the same date.

To reduce the backlog to the present level required the initiation of numerous management actions. A sample of these actions is enumerated below, many of which are not cited in the draft report.

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- Increased emphasis was placed on manning of training related billets. As a result, total manning at Navy training centers has increased substantially since mid-1981. For example, at Navy's four largest training activities (Great Lakes, San Diego, Orlando, Memphis), combined manning was 92.4% in July 1981. By end-February 1982, total manning (instructor, training/base support) at each of these four sites was 100%. Of special significance, is that by October 1981, instructor manning at schools with backlogs had increased to 100%. Manning of all training related billets is a high priority requirement and these billets will continue to be manned at a level sufficient to ensure that the excess backlog population is maintaned at a zero level.
- Navy reprogrammed in order to increase the contracting-out of instructor billets for FY82 and FY83. This effort was focused on backlogged schools requiring instructor personnel in Navy's most undermanned ratings. Replaced military personnel were then released to other training throughput functions.
- Navy reservists were voluntarily recalled to instructor duty.
- Many internal schoolhouse actions (e.g., curriculum adjustments, curtailed instructor leave, extra shifts).
- The practice of assigning non-school guarantee recruits to initial skill training schools to fill missed school seat sales (RTC pickups) was curtailed in July 1981. The list of affected ratings has been adjusted as required throughout FY82 to ensure that excess backlogs were reduced.
- The Chief of Naval Technical Training issued strict student pipeline control instructions to subordinate training commanders in February 1982. Detailed procedures and policies aimed at efficiently controlling the flow of all students through the training pipeline are now institutionalized at all training activities. In regards to excess backlog, the training command's "on-going objective is to achieve and maintain a zero level of students in the excess AI category" at each school. To accomplish this, specific directions have been established to ensure that excesses are eliminated through "appropriate class-up actions ... to include formation of unscheduled classes, double shifting classes, a temporary increase of student-to-instructor ratios, or any other management initiative" required to eliminate any excess AI. Specific actions have also been initiated to reduce the number of personnel in the unavoidable AI category (students on board in advance of a class convening or in an administrative hold status). Attention is focused on: reducing processing time to a maximum of three work days; accelerated enrollment of personnel who arrive in advance of or later than the scheduled class date; development of optimum class frequency starts and sequencing of follow-on training; establishment of controls and procedures to ensure that vacant class seats are filled as soon as possible (one hour in the case of computer managed instruction courses). In summary, "specific justification must be readily available, visible, and documented on each student to ensure that appropriate action is being taken to minimize the time trainees are not in an instructional status." Adherence to these procedures will be closely scrutinized during inspections and staff visits.

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- Major actions have also been initiated by Navy headquarters in Washington to reduce total training pipeline time. In March 1982, Navy began assigning enlisted recruits to recruit training centers which are collocated with follow-on initial skill training schools. This procedural change results in a reduction in the number of moves that each student will make. This corresponds to a significant reduction to in/out processing (unavoidable) pipeline time. Navy is also modifying its school reservation ADP system to more closely align enlistee departure dates (for recruit training) with follow-on initial skill class convening dates. This new system should be on-line by October 1982 and will result in a substantial reduction in the amount of delay time experienced when students report out of sequence for scheduled classes.
- Navy is presently developing a student training output goaling system that will enable both headquarters management and individual activity commanding officers to better focus on training production/graduates rather than on student input alone.
- The Center for Naval Analysis (CNA) is in the process of developing a computer management model that will aid in training pipeline execution. Once on-line, this interface will significantly enhance management's ability to predict potential backlogs and identify avoidance measures.

Navy believes that actions to accomplish each of the recommendations cited by GAO (under the purview of Navy) have been initiated. The intent of GAO's recommendations is for Navy to initiate actions to reduce both excess backlog and unavoidable AI. Navy's actions noted above are carefully designed to permanently eliminate pipeline inefficiencies (both excess and unavoidable); they are defensible; and, they clearly meet GAO's intent. It is therefore recommended that the "immediate" recommendations be deleted from the final report and that GAO acknowledge that actions have been initiated to accommodate the "long term" recommendations. Again, the GAO recommendation concerning expansion of the budget justification is not appropriate for Navy addressal.

Navy also desires to clarify several draft report statements and to include pertinent background information which could be incorporated into the final report to further explain the backlog situation.

- On page 1 it is noted that "In fiscal year 1982, Navy's plan is to reduce the average number waiting for instruction to about 2,500." As previously noted, Navy's goal for FY82 was to reduce the backlog to the 2,950 operating level by end-June 1982. While this goal has been met, further actions are now on-going that are designed to totally eliminate the excess backlog and reduce the unavoidable AI to a minimum level. The actions necessary to achieve zero excess by June 30, 1982 have been implemented and Navy fully expects to achieve this objective. It should be noted that Navy will be implementing an enhanced ADP pipeline reporting system in the near future. This system will permit Navy to account for student personnel in the pipeline on an average basis (over the week) rather than categorizing them as presently accomplished, at close of business each Monday. This is noted in order

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to preclude erroneous comparisons of future pipeline reports based on average (AOB) accounting with past reports based on snapshot Monday data. Strict comparisons will be difficult because most Navy training activities begin classes each Monday and the number of personnel "unavoidably" waiting to commence instruction will increase as the week progresses. Navy believes that this new automated report will enable management to better identify pipeline excesses at each activity, thereby providing the positive tracking control necessary to eliminate excess backlog and reduce unavoidable AI.

- On pages 7 and 8 it is reported that many recruits were waiting ten or more weeks to start training; some were waiting an amount of time equal to the average length of the course. Navy fully recognizes that cases such as those cited existed and has taken numerous actions to preclude instances such as these from occurring in the future. It should be noted that for FY81, Navy had an average of approximately 30,000 students on board each day and that the small sample noted in the draft report is not truly representative of the total backlog situation. The specific cases cited are indeed extraordinary but, on the average, the problem was not as severe as the reader may be led to believe. For all Basic Electricity and Electronics (BE&E) Schools, the average wait during FY81 was 24.8 days; only 30% of all BE&E students waited over 28 days. For "A" schools (initial skill training), students waited an average of 11.8 days; 24% of all "A" school students had no time awaiting instruction and 41% waited from 1 to 7 days. For "C" schools (advanced skill), the average wait was only 3.1 days. For all schools combined, the average wait for FY81 was 8.6 days.

- It is noted on page 8 and 9 of the draft report that while "training was a Chief of Naval Operations Priority II assignment, the Navy Manpower and Personnel Command, prior to 1981, was unwilling to provide 100 percent staffing because of fleet requirements." More clearly, Navy's 22,000 petty officer shortage severely limited the ability to man the training command with instructors while maintaining the fleet at an acceptable level of readiness during a period of increasing operational commitments. Navy's goal has always been to man training with a full compliment of staff. However, due to the severe shortage of mid-grade personnel, a less than optimum balance was struck between fleet and training needs. Navy was more than willing to provide training with 100 percent staffing but was constrained by its actual inventory. Recent pay increases and compensation packages (plus the perception that such initiatives will continue) have resulted in increased retention of active duty sailors and enhanced recruitment of prior service personnel. This favorable trend has had a positive impact on the shortage of mid-grade personnel and has given Navy additional flexibility to increase manning at priority activities such as training.

As previously stated in the Summary section, Navy recommends that supporting information contained in the enclosure be incorporated into the basic report. This will ensure that readers who choose not to read the enclosure will possess a balanced appreciation of the backlog problem.

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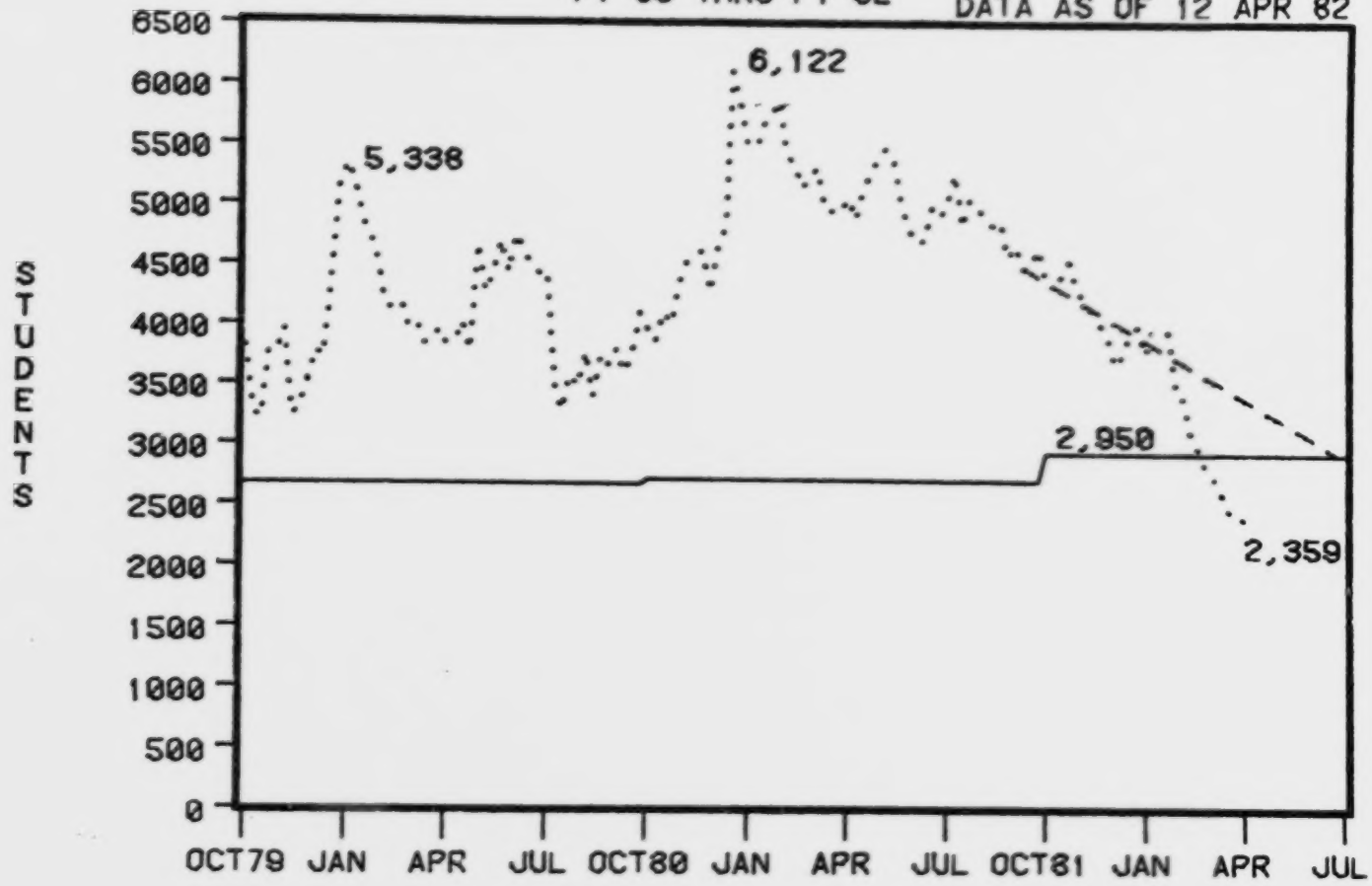
AWAITING INSTRUCTION

FY 80 THRU FY 82

DATA AS OF 12 APR 82



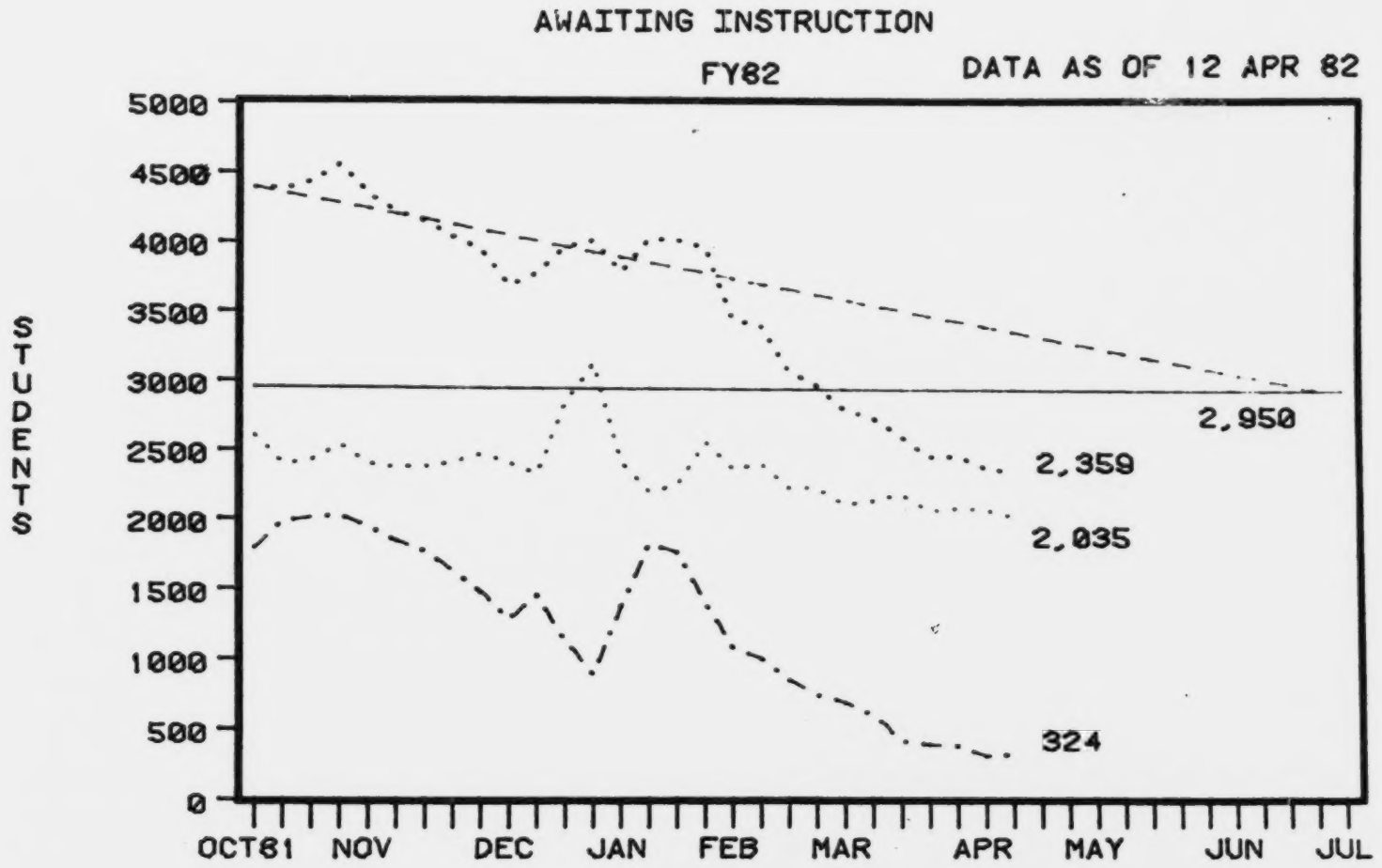
..... ACTUAL AI
– – – – – – TARGET AI
——— OPERATING LEVEL

OCT 79 THRU JUN 82

NOTE: ACTUAL AI DOES NOT INCLUDE 3900 STUDENTS ON HOLIDAY LEAVE 21 DEC 81 AND 9500 ON 28 DEC 81.

TAB A

APPENDIX I



NOTE: ACTUAL AI DOES NOT INCLUDE 3900 STUDENTS ON HOLIDAY LEAVE 21 DEC 81 AND 9500 ON 28 DEC 81.

TAB B

APPENDIX I

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APPENDIX II

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON D C 20301

MANPOWER
RESERVE AFFAIRS
AND LOGISTICS

1 JUN 1982

Mr. Clifford I. Gould
Director
Federal Personnel and Compensation Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Gould:

This is in reply to your letter of April 13, 1982, regarding the GAO draft report, "Backlog of Navy Enlisted Personnel Awaiting Initial Skill Training Results in Inefficiency and Unnecessary Cost" Code 967010 (OSD Case #5947).

The Department of the Navy has reviewed the draft report and has provided comments on the findings and recommendations to your office. One of the recommendations made in the report was "to expand the justification for the annual training budget to include costs of student backlogs." The Navy reply informed GAO that OSD would provide comments on that recommendation.

We do not concur with the above recommendation. Student backlog is caused by an over input of students or a lack of sufficient school capacity for expected input. Both of these conditions are unforeseen and, therefore, unprogrammed in a budget submission.

The GAO recommendation implies that the Navy plans and budgets for "student backlog" and therefore should submit additional budget detail on the costs of student backlog. Since a student backlog is caused by unprogrammed changes to training plans after a budget is submitted, it is inappropriate to request budget justification of student backlog from the Department.

Current budget justification already accounts for personnel in a training status. Budget displays submitted to the Congress contain specific information on the numbers of trainees and students planned for each Service. In addition, the Department submits two annual reports to Congress that provide further detail. They are the Military Manpower Training Report and the Manpower Requirements Report.

It is important to note that the subject of student backlog in the Navy has already been given intensive management priority within the Department. Last summer, in response to an inquiry by the Office of the Secretary of Defense, the Navy formed a task force to initiate corrective action. Further, the Defense Audit Service has issued a report on the same subject. In fact, it appears that most of the comments made by GAO have been overtaken by Navy initiatives.

Sincerely,

Lawrence J. Korb
Assistant Secretary of Defense
(Manpower, Reserve Affairs & Logistics)

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APPENDIX III

ENLISTED PERSONNEL WAITING TO RECEIVE TRAINING 1978-1981

In fiscal year 1978, the Navy had a recruiting shortfall. As a result there was a shortage of approximately 3,500 new recruits to attend initial skill training. Wanting to make up this shortage and fearing a similar recruiting shortfall in 1979, Navy officials decided to ship more recruits to initial skill training ("A" schools) in late fiscal year 1978 than they had previously planned. This overshipment coincided with a decision by the Office of Management and Budget to reduce the Navy training staff authorizations by 2,700. While the staff reduction in itself was not the only cause for the increase in the number awaiting instruction, Navy officials stated at the time that in order to train the expected inflow, the schools would need to be staffed at 100 percent of their reduced authorization. This has not occurred, however, and increasing student backlogs have resulted.

The number of students awaiting instruction was only about 2,200 in September 1978, and for the reasons cited above it increased to nearly 3,100 by the end of fiscal year 1979. When the recruiting command began consistently meeting its recruiting goals in fiscal year 1980 and school input began exceeding the Navy's training plan, the number awaiting instruction increased even more. The following chart shows the number of enlisted personnel reported by the Navy to be awaiting instruction each week starting in June 1980. It also shows the number of students the Navy considered necessary to be awaiting instruction in fiscal years 1980 and 1981 in order to insure "maximum utilization of school seats" (its awaiting instruction goal).

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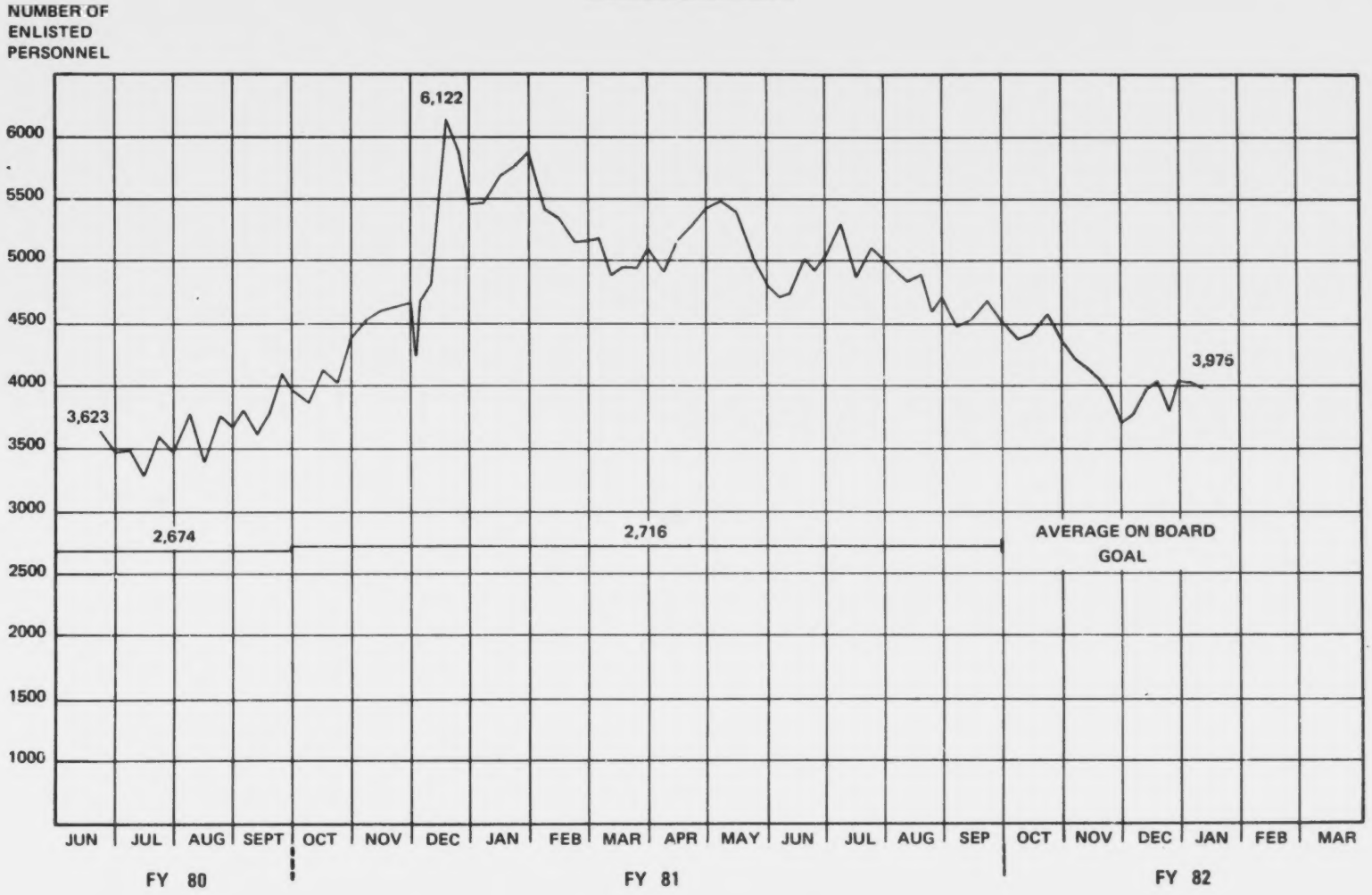
CHART 1

TOTAL WEEKLY AWAITING INSTRUCTION POPULATION FY 1980 - FY 1982



As can be seen above, the increase in the number of students waiting became much larger early in fiscal year 1981. This increase followed a decision by the Navy in fiscal year 1980 to cut 1,700 instructor billets from the training command's manpower authorization. Realizing the cut was too severe, the Navy soon restored most of the billets in fiscal year 1981. Yet, despite warnings by the training command, actual staffing of the training billets in fiscal years 1980 and 1981 continued at about 90 percent.

At the same time that these staffing decisions were being made, the Navy continued to use several recruiting and manpower management practices which added to the backlog. They included:

--Over recruiting for ratings with backlogged courses.

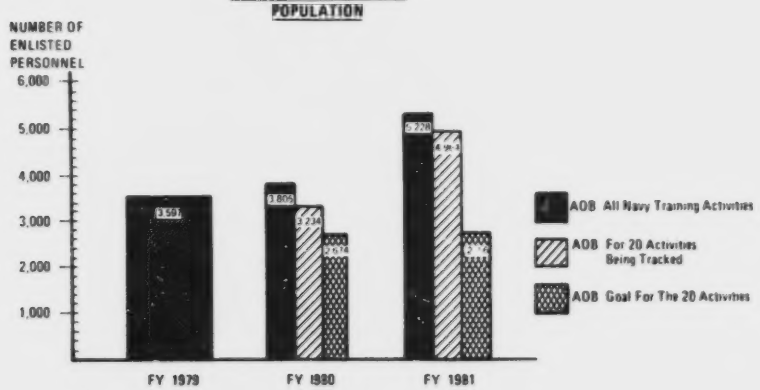
--Sending new recruits who were not guaranteed an "A" school when they enlisted (RTC pickups) from recruit training centers to schools with backlogs.

These practices, coupled with the decisions to reduce staffing, caused the student input to exceed the training capabilities of the schools.

The severity of the training backlog problem can be demonstrated by determining the average number of recruits awaiting training each fiscal year and the average number of days recruits wait to enter training. As demonstrated in the following chart, the average number of recruits awaiting training increased during fiscal years 1979-1981 in total for all training activities. In addition, the number waiting at 20 training activities specifically tracked by the Navy in 1980 and 1981 significantly exceeded the number the Navy established as necessary (goal) to effectively utilize school seats at these activities.

CHART 2

YEARLY AVERAGE AWAITING INSTRUCTION POPULATION



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At the same time that the average number of recruits awaiting training has been increasing, the average number of days a recruit must wait has also been increasing. The following table shows the increase in the number of incidences in which students waited more than 7, 14, 21, and 28 days to start a class.

TABLE 1

Fiscal year	Number of training seats	Awaiting Instruction: Greater than 7 days		Greater than 14 days		Greater than 21 days		Greater than 28 days	
		Number of students	Percent	Number of students	Percent	Number of students	Percent	Number of students	Percent
1979	160,815	43,552	27	25,500	15.8	16,699	10.3	9,819	6
1980	168,451	48,941	29	31,108	18.4	20,956	12.4	13,043	7.7
1981	167,102	60,105	35.9	36,064	21.6	24,495	14.6	16,802	10

The reason the number of class starts is more than double the number of enlisted personnel being trained is because many recruits entering initial skill training may wait before starting each of several required courses. For example, a recruit entering the electronics technician (ET) field may wait to start the preparatory course, basic electricity and electronics, and again to start the follow-on ET "A" School.

While this table shows that more students are waiting longer each year to start training, we could not determine how much longer because no breakdown of the 8-14, 15-21, 22-28, and more than 28 day categories were available. However, by using 15, 22, and 29 days as the minimum wait for those incidences where students waited more than 14, 21, and 28 days, we computed that the average number of days spent waiting before each class start increased from at least 6 days in 1979 to at least 8 days in 1981.

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